

## LEGISLATIVE BILL 501

Approved by the Governor March 21, 1995

Introduced by Nebraska Retirement Systems Committee:

Wickersham, 49, Chairperson; Crosby, 29; Lynch, 13; Robak, 22;  
Wehrbein, 2

AN ACT relating to retirement; to amend sections 23-2306, 79-1501.01, 81-2014, 81-2016, 81-2033, 84-1307, and 84-1331, Reissue Revised Statutes of Nebraska, and section 23-2331, Revised Statutes Supplement, 1994; to change provisions relating to vesting credit and eligibility; to harmonize provisions; and to repeal the original sections.

Be it enacted by the people of the State of Nebraska,

Section 1. Section 23-2306, Reissue Revised Statutes of Nebraska, is amended to read:

23-2306. (1) The membership of the retirement system shall be composed of ~~(1)~~ (a) all full-time employees who have been employees for a period of twelve continuous months, except that elected officials shall be eligible for membership on taking office, and ~~(2)~~ (b) all part-time employees who have attained the age of twenty-five and have been employed for a total of twelve months and who exercise the option to join the retirement system. An employee who exercises the option to join the retirement system shall remain in the system until termination or retirement.

(2) Within the first thirty days of employment, a full-time employee may apply to the board for eligibility and vesting credit for years of participation in another Nebraska governmental plan, as defined by section 414(d) of the Internal Revenue Code. During the years of participation in the other Nebraska governmental plan, the employee must have been a full-time employee.

Sec. 2. For one year after the effective date of this act, any full-time employee employed on or before the effective date of this act may apply to the board for eligibility and vesting credit for years of participation in another Nebraska governmental plan, as defined by section 414(d) of the Internal Revenue Code. During the years of participation in the other Nebraska governmental plan, the employee must have been a full-time employee.

Section 3. Section 23-2331, Revised Statutes Supplement, 1994, is amended to read:

23-2331. Sections 23-2301 to 23-2310.02, 23-2312 to 23-2317, 23-2319 to 23-2322, and 23-2324 to 23-2332 and section 2 of this act shall be known and may be cited as the County Employees Retirement Act.

Section 4. Section 79-1501.01, Reissue Revised Statutes of Nebraska, is amended to read:

79-1501.01. Sections 79-1501 to 79-1567 and sections 5 and 6 of this act shall be known and may be cited as the School Employees Retirement Act.

Sec. 5. Within the first thirty days of employment, a school employee may apply to the board for eligibility and vesting credit for years of participation in another Nebraska governmental plan, as defined by section 414(d) of the Internal Revenue Code. During the years of participation in the other Nebraska governmental plan, the employee must have been a full-time or a part-time employee as described in section 79-1501. Such credit shall not be included as years of service in the benefit calculation.

Sec. 6. For one year after the effective date of this act, any school employee employed on or before the effective date of this act may apply to the board for eligibility and vesting credit for years of participation in another Nebraska governmental plan, as defined by section 414(d) of the Internal Revenue Code. During the years of participation in the other Nebraska governmental plan, the employee must have been a full-time or a part-time employee as described in section 79-1501. Such credit shall not be included as years of service in the benefit calculation.

Section 7. Section 81-2014, Reissue Revised Statutes of Nebraska, is amended to read:

81-2014. For purposes of sections 81-2014 to 81-2036 and section 9 of this act:

(1) Actuarial equivalent shall mean the equality in value of the aggregate amounts expected to be received under different forms of payment or to be received at an earlier retirement age than the normal retirement age. The determinations shall be based on the 1983 Group Annuity Mortality Table

reflecting sex-distinct factors blended using seventy-five percent of the male table and twenty-five percent of the female table;

(2) Board shall mean the Public Employees Retirement Board; and

(3) Officer shall mean an officer provided for in sections 81-2001 to 81-2009.

Sec. 8. Section 81-2016, Reissue Revised Statutes of Nebraska, is amended to read:

81-2016. (1) Every member of the Nebraska State Patrol who was employed by the State of Nebraska as such, on September 7, 1947, and every person employed as a member of such patrol thereafter, shall be a member of this system.

(2) Within the first thirty days of employment, a member may apply to the board for eligibility and vesting credit for years of participation in another Nebraska governmental plan, as defined by section 414(d) of the Internal Revenue Code. Such credit shall be used toward the vesting percentage pursuant to subsection (2) of section 81-2031 but shall not be included as years of service in the benefit calculation.

Sec. 9. For one year after the effective date of this act, any member employed on or before the effective date of this act may apply to the board for eligibility and vesting credit for years of participation in another Nebraska governmental plan, as defined by section 414(d) of the Internal Revenue Code. Such credit shall be used toward the vesting percentage pursuant to subsection (2) of section 81-2031 but shall not be included as years of service in the benefit calculation.

Sec. 10. Section 81-2033, Reissue Revised Statutes of Nebraska, is amended to read:

81-2033. In computing length of service under sections 81-2014 to 81-2036, such service shall include the years of service with the Nebraska State Patrol, permanent force, as established by the law creating the Nebraska State Patrol computed to the nearest one-twelfth year and shall only include such years during which the person was a member of the Nebraska State Patrol Retirement System. Length of service shall also include credit for time served in the armed forces pursuant to section 81-2034. For subsection (2) of section 81-2031 only, service shall also include credit for vesting pursuant to section 81-2016 and section 9 of this act.

Sec. 11. Section 84-1307, Reissue Revised Statutes of Nebraska, is amended to read:

84-1307. (1) The membership of the retirement system shall be composed of ~~(1)~~ (a) all permanent full-time employees who have been employees for a period of twenty-four continuous months at any time and who have attained the age of thirty and ~~(2)~~ (b) all full-time or part-time employees who have been employees for a total of twelve months, who have attained the age of twenty, and who exercise the option to join the retirement system. An employee who exercises the option to join the retirement system pursuant to this section shall remain in the retirement system until his or her termination or retirement. Membership shall not include part-time or temporary employees except ~~(\*)~~ (i) such part-time employees who have been full-time employees but because of age or otherwise have been partially incapacitated and have been placed on a part-time service basis at a part-time rate of pay under rules and regulations of the retirement board, ~~(b)~~ (ii) such part-time employees who are members of the system, and ~~(c)~~ (iii) part-time employees who join the system as provided in subdivision (2) subdivision (1)(b) of this section.

(2) Within the first thirty days of employment, a full-time employee may apply to the board for eligibility and vesting credit for years of participation in another Nebraska governmental plan, as defined by section 414(d) of the Internal Revenue Code. During the years of participation in the other Nebraska governmental plan, the employee must have been a full-time employee.

Sec. 12. For one year after the effective date of this act, any full-time employee employed on or before the effective date of this act may apply to the board for eligibility and vesting credit for years of participation in another Nebraska governmental plan, as defined by section 414(d) of the Internal Revenue Code. During the years of participation in the other Nebraska governmental plan, the employee must have been a full-time employee.

Sec. 13. Section 84-1331, Reissue Revised Statutes of Nebraska, is amended to read:

84-1331. Sections 84-1301 to 84-1331 and section 12 of this act shall be known and may be cited as the State Employees Retirement Act.

Sec. 14. Original sections 23-2306, 79-1501.01, 81-2014, 81-2016, 81-2033, 84-1307, and 84-1331, Reissue Revised Statutes of Nebraska, and